

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **October 14, 2003**

AGENDA ITEM NO.: 6

CONSENT: **X**

REGULAR:

CLOSED SESSION:

ACTION: **X**

INFORMATION:

(Confidential)

ITEM TITLE: **Mobile Stage Purchase**

RECOMMENDATION: Approval of the Memorandum of Understanding between the City and Lynch's Landing, Inc, which outlines the unique and mutual responsibilities and commitments related to purchasing and managing the upkeep and use of a mobile stage unit. Further adopt a resolution amending the FY 2004 General Fund Budget and appropriating \$36,000 fully reimbursable from Lynch's Landing, Inc. to fund approximately fifty percent of the cost of the mobile stage unit.

SUMMARY: The City of Lynchburg Department of Parks & Recreation and Lynch's Landing, Inc. propose to cooperatively purchase, use, maintain and manage a professional grade mobile stage unit for use at special events and other activities. Such a transportable mobile stage will provide the City and Lynch's Landing, Inc. with an added and critical resource for hosting special events and other activities. Purchase of a mobile stage will alleviate the City and Lynch's Landing from incurring the cost of renting such equipment for special events and activities. Further a mobile stage will likely allow fledgling and new events and activities to grow and develop. Finally, through professional management and collective promotion, the mobile stage unit should generate sufficient revenue, through third-party rental fees, to pay for maintenance and repairs costs of the stage unit and contribute significantly to the future replace of this stage (20 year life expectancy).

In accordance with the memorandum of understanding, Lynch's Landing, Inc. will pay its share (up to \$36,000) in two installments, (1) \$18,000 upon execution of the memorandum of understanding, and (2) the balance on or before July 31, 2004.

PRIOR ACTION(S): October 7, 2003 Finance Committee

FISCAL IMPACT: \$38,085 currently appropriated within the FY 2004 Parks & Recreation General Fund budget. These funds were carried forward from the FY 2003 City-Sanctioned and City-Sponsored Special Event funds specifically for this purpose. Additionally, \$1,000 for maintenance and repairs in FY 2005 General Funds to be used if needed. Lynch's Landing, Inc. will provide up to \$36,000 of additional funding for the mobile stage estimated to cost \$74,000.

CONTACT(S): Kay Frazier, 847-1640 x128; Lawrence Landolt, 847-1640 x125

ATTACHMENT(S):

Memorandum of Understanding between the City of Lynchburg and Lynch's Landing, Inc.

Resolution

REVIEWED BY: lkp

Resolution

BE IT RESOLVED That the FY 2004 General Fund Budget is amended and \$36,000 is appropriated with resources of \$36,000 from Lynch's Landing, Inc. for its share of the cost of a mobile stage.

Introduced:

Adopted:

Certified:

Clerk of Council

177L

Draft – Revised Sept 29, 03



MEMORANDUM OF UNDERSTANDING

BETWEEN THE CITY OF LYNCHBURG AND LYNCH'S LANDING, INC.

I. PURPOSE

The purpose of this Memorandum of Understanding (MOU) is to provide for the purchase, usage and management of a mobile stage unit to be used for special events and other activities. The City of Lynchburg (the City) and Lynch's Landing, Inc. (LLI) shall work cooperatively to purchase and maintain the mobile stage unit. Furthermore, both parties will have priority use of the mobile stage unit for their identified events and activities. The purpose of this MOU is to formalize this local government and non-governmental partnership, and to set forth the general terms and conditions that will guide in establishing and sustaining a long-term working relationship.

II. BACKGROUND & BENEFITS

In recent years the number, size and entertainment requirements of special events and other activities held within the City has grown to such a degree that high quality stage units are routinely required. In such instances, a stage unit must be rented. The cost of stage rental has a significant financial impact on these events and at times limits an event from growing or worse, can prevent an event or activity from occurring. For established events, such as LLI's Friday Cheers, over the course of time, based on predictable stage needs it becomes financially advantageous to own a stage versus incurring repeated rental costs.

In addition to the number, size and complexity of special events, the availability and inventory of suitable event venues within the City plays a decisive factor in the purposed purchase of a mobile stage. The Community Market's Parking lot, which currently hosts many special events (including Friday Cheers) is scheduled to undergo major repair/renovations beginning in FY 2006 (July 2005). Special events that are currently hosted at this venue must be relocated. Without a mobile and transportable mobile stage unit this relocation will result in dramatically increased costs to event organizers and possibly the discontinuation of some of these events. Furthermore, there are a number of public parks and facilities that are suitable for special events and other City and/or private activities that are under-utilized (e.g. City Stadium, Miller Park, Peakview Park, and Riverside Park). This fact is partially created by a lack of a suitable stage at these locations. A mobile stage unit, adaptable to all types of terrain and locations will open possibilities for these venues.

Since 2002, informal dialogue has occurred regarding the feasibility and possibility of purchasing a mobile stage unit. On May 5, 2003, the Lynchburg Department of Parks & Recreation (LDPR) arranged to have a stage manufacturer display a mobile stage unit on the Community Market parking lot for review and inspection by City staff and other special event stakeholders. Shortly thereafter, serious dialogue began between representatives of the LDPR and LLI regarding the framework and funding of a partnership relationship that would provide mutual benefit.

It is the goals of both the City and LLI to purchase, maintain and manage a high quality mobile stage unit that will allow for greater flexibility in hosting existing and new special events and other activities within the City; to satisfy the current demands and needs for both parties' existing special events and activities;

to promote the development of new special events and activities within the City by providing availability of the mobile stage unit to third-party event organizers; and to manage third-party use of the mobile stage unit so that revenues generated from rental fees will offset a considerable portion of the unit's maintenance and future replacement costs. This MOU serves to guide both organizations in the pursuit of these common goals.

III. THE CITY OF LYNCHBURG'S RESPONSIBILITIES

The City shall contribute thirty eight thousand and eighty five dollars (\$38,085) for the purchase of a mobile stage unit. The City will administer the purchase of the mobile stage unit through its established procurement procedures with the intention of finalizing the purchasing process in adequate time for the mobile stage unit to be delivered by April 1, 2004. LDPR will annually request, beginning in FY 2005, through the City's General Fund budget process, one thousand dollars (\$1,000) for maintenance of the mobile stage unit until such time that rental revenues (maintained within the LDPR's Recreation Fund budget) are adequate to assure enough maintenance funds for anticipated repairs. The City will be responsible for storing the stage unit. The City will provide adequate property damage insurance on the stage unit. The LDPR shall provide day-to-day management of the mobile stage unit to include third-party rentals and scheduling, transportation to and from scheduled event venues, set-up and tear-down of the stage unit before and after scheduled use, administration of all maintenance and repairs, and administration of all financial responsibilities related to the rental and maintenance of the stage. LDPR will deposit and retain all revenue generated by the mobile stage unit in its Recreation Fund budget. These funds will be dedicated and expended exclusively for maintenance, repairs and replacement of the mobile stage unit. Furthermore, the City shall be committed to a long-term partnership with LLI to promote third-party use of the stage unit in order to generate revenue and to assist in the development of events and activities within the City.

IV. LYNCH'S LANDING, INC.'S RESPONSIBILITIES

LLI shall contribute up to thirty six thousand dollars (\$36,000), in two payments, for the purchase of a mobile stage unit. LLI's total contribution to the purchase of the mobile stage unit will not exceed, but may be less than, thirty six thousand dollars (\$36,000). LLI's contribution will equal the balance of the total purchase price of the mobile stage unit, less the City's contribution of thirty eight thousand and eighty five dollars (\$38,085). LLI agrees to pay the City eighteen thousand dollars (\$18,000) within thirty days of the City's approval of this MOU. LLI further agrees to pay the City the remaining balance of their contribution on or before July 31, 2004 at LLI's discretion. LLI agrees to hold one thousand dollars (\$1,000) in earmarked funds for stage maintenance, beginning July 1, 2004. These maintenance funds will be dedicated until such time that rental revenues (maintained within the LDPR's Recreation Fund budget) are adequate to assure enough maintenance funds for anticipated repairs. LLI shall determine the level of liability insurance coverage they will maintain to provide prudent coverage for any risk to their organization. Furthermore, LLI shall be committed to a long-term partnership with the City to promote third-party use of the stage unit in order to generate revenue and to assist in the development of events and activities within the City.

V. MUTUAL RESPONSIBILITIES

The City and LLI will mutually agree on the mobile stage unit to be approved for purchase. The City and LLI shall annually, on or before February 1 of each year, prepare a schedule of their reserved dates for use of the mobile stage unit. Thereafter, the City will make stage rental and reservation commitments to third-party organizations and/or City agencies and LLI on a first-come first-serve basis. The City and LLI will mutually develop and approve policies, including fees, for governing third-party rentals for the mobile stage unit. The City and LLI agree to accept full responsibility for supervising the use of the mobile stage unit during mutually agreeable standards and conditions during each parties' respective use of the unit.

VI. ADDITIONAL COMMITMENTS

During the life of the mobile stage unit, LLI shall not be required to pay for any City costs incurred in delivery, set-up, tear-down, or removal of the stage unit at any LLI event or activity. The City and LLI agree that no permanent logos, emblems, or lettering shall be mounted on the stage unit. However, it is understood that both parties may affix temporary banners or signs during scheduled use.

VII. COMPLIANCE WITH FEDERAL AND STATE RULES AND REGULATIONS

The City and LLI, in conformance with all applicable state and federal laws and regulations, shall perform all activities specified in this MOU.

VIII. EFFECTIVE DATE

This agreement is effective immediately upon endorsement by LLI Board of Directors and the City of Lynchburg.

IX. CHANGES TO THIS MOU

LLI and the City may mutually agree, in writing, to modify this MOU at any time. This MOU shall be reviewed every twelve (12) months during a formal meeting between representatives of the City and LLI. The City representatives shall be appointed at the discretion of the City Manager.

WITNESS the following duly authorized signatures and seals:

CITY OF LYNCHBURG, VA

By: _____
L. Kimball Payne

Its: City Manager

Date: _____

LYNCH'S LANDING, INC.

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____